

**UNITED STATES DISTRICT COURT
FOR THE WESTERN DISTRICT OF MISSOURI
WESTERN DIVISION**

FEDERAL TRADE COMMISSION,

and

**STATE OF MISSOURI, ex rel.
Joshua D. Hawley, Attorney General,**

Plaintiffs,

– v. –

NEXT-GEN, INC., a corporation, also d/b/a
Award Notification Services, Cash Claim
Advisors, Central Award Distribution,
International Award Services, National Award
Commission, Prize Notification Services
Foundation, and Security Dispatch, Ltd.,

WESTPORT ENTERPRISES, INC., a
corporation, also d/b/a Award Prize Advisory,
Award Review Board, Cash Claim Advisors,
National Awards Commission, and Security
Dispatch, Ltd.,

**OPPORTUNITIES UNLIMITED
PUBLICATIONS, INC.,** a corporation, also
d/b/a Entertainment Awards Center, International
Award Payment Center, North American Awards
Center, and Puzzle Mania,

OPPORTUNITIES MANAGEMENT CO., a
corporation,

SUMMIT MANAGEMENT TEAM, LLC, a
limited liability company,

CONTEST AMERICA PUBLISHERS, INC., a
corporation, also d/b/a Entertainment Award
Company and International Awards Payment
Center,

CIVIL ACTION

NO. 4:18-CV-0128

**COMPLAINT FOR PERMANENT
INJUNCTION AND OTHER
EQUITABLE RELIEF**

REVEAL PUBLICATIONS, LLC, a limited liability company, also d/b/a National Research Company, Fortune Research Bureau, and Financial Report Services,

AOSR CORPORATION, a corporation, formerly known as Subscription Reporter Corporation, formerly known as Sweepstakes Reporter Co., Inc., also d/b/a American Sweepstakes Publisher and National Bureau,

LIGHTHOUSE FLA ENTERPRISES, LLC, a limited liability company,

GAMER DESIGNS, LLC, a limited liability company,

KEVIN R. BRANDES, individually and as an officer or owner of NEXT-GEN, INC., WESTPORT ENTERPRISES, INC., OPPORTUNITIES UNLIMITED PUBLICATIONS, INC., OPPORTUNITIES MANAGEMENT CO., SUMMIT MANAGEMENT TEAM, LLC, CONTEST AMERICA PUBLISHERS, INC., and LIGHTHOUSE FLA ENTERPRISES, LLC,

and

WILLIAM J. GRAHAM, individually and as an officer or owner of NEXT-GEN, INC., WESTPORT ENTERPRISES, INC., OPPORTUNITIES UNLIMITED PUBLICATIONS, INC., OPPORTUNITIES MANAGEMENT CO., SUMMIT MANAGEMENT TEAM, LLC, CONTEST AMERICA PUBLISHERS, INC., REVEAL PUBLICATIONS, LLC, AOSR CORPORATION, and GAMER DESIGNS, LLC,

Defendants.

Plaintiffs Federal Trade Commission (“FTC”) and the State of Missouri for their Complaint allege:

1. Plaintiff FTC brings this action pursuant to Section 13(b) of the Federal Trade Commission Act (“FTC Act”), 15 U.S.C. § 53(b), to obtain temporary, preliminary, and permanent injunctive relief, appointment of a receiver, rescission or reformation of contracts, restitution, the refund of monies paid, disgorgement of ill-gotten monies, and other equitable relief for the Defendants’ deceptive acts or practices in violation of Section 5(a) of the FTC Act, 15 U.S.C. § 45(a), in connection with the worldwide distribution of deceptive sweepstakes and other prize mailers.

2. The State of Missouri at the relation of Missouri Attorney General Joshua D. Hawley brings this action under the Missouri Merchandising Practices Act §§ 407.020, *et seq.*, to obtain temporary, preliminary, and permanent injunctive relief, and restitution, civil penalties, and other equitable relief.

JURISDICTION AND VENUE

3. This Court has subject matter jurisdiction pursuant to 28 U.S.C. §§ 1331, 1337(a), and 1345, and 15 U.S.C. §§ 45(a) and 53(b). This Court has supplemental jurisdiction over the Plaintiff Missouri’s state law claims pursuant to 28 U.S.C. § 1367(a).

4. Venue is proper in this district under 28 U.S.C. § 1391(b)(2) and 15 U.S.C. § 53(b)(2). Divisional venue is proper under W.D. Mo. Loc. R. 3.2(b)(2).

PLAINTIFFS

5. Plaintiff FTC is an independent agency of the United States Government created by statute. 15 U.S.C. §§ 41-58. The FTC enforces Section 5(a) of the FTC Act, 15 U.S.C. § 45(a), which prohibits unfair or deceptive acts or practices in or affecting commerce.

6. The FTC is authorized to initiate federal district court proceedings, by its own attorneys, to enjoin violations of the FTC Act and to secure such equitable relief as may be appropriate in each case, including rescission or reformation of contracts, restitution, the refund of monies paid, and the disgorgement of ill-gotten monies. 15 U.S.C. §§ 53(b) and 56(a)(2)(A).

7. Plaintiff Joshua D. Hawley is the duly elected, qualified, and acting Attorney General of the State of Missouri, and brings this action in his official capacity pursuant to Chapter 407 of the Missouri Revised Statutes.

DEFENDANTS

8. Defendant Next-Gen, Inc. (“Next-Gen”), also doing business as Award Notification Services, Cash Claim Advisors, Central Award Distribution, International Award Services, National Award Commission, Prize Notification Services Foundation, and Security Dispatch, Ltd., is a Kansas corporation with its principal place of business at 1401 Armour Road, North Kansas City, MO 64116. Next-Gen transacts or has transacted business in this district and throughout the United States. At all times material to this Complaint, acting alone or in concert with others, Next-Gen has distributed deceptive sweepstakes and other prize mailers to consumers throughout the United States and overseas.

9. Defendant Westport Enterprises, Inc. (“Westport”), also doing business as Award Prize Advisory, Award Review Board, Cash Claim Advisors, National Awards Commission, and Security Dispatch, Ltd., is a Missouri corporation with its principal place of business at 21 NE Skyline Drive, Lee’s Summit, MO 64086. Westport transacts or has transacted business in this district and throughout the United States. At all times material to this Complaint, acting alone or in concert with others, Westport has distributed deceptive sweepstakes and other prize mailers to consumers throughout the United States and overseas.

10. Defendant Opportunities Unlimited Publications, Inc. (“OUP”), also doing business as Entertainment Awards Center, International Award Payment Center, North American Awards Center, and Puzzle Mania, is a Missouri corporation with its principal place of business at 1401 Armour Road, North Kansas City, MO 64116. OUP transacts or has transacted business in this district and throughout the United States. At all times material to this Complaint, acting alone or in concert with others, OUP has distributed deceptive sweepstakes and other prize mailers to consumers throughout the United States and overseas.

11. Defendant Opportunities Management Co. (“OMC”) is a Missouri corporation with its principal place of business at 1401 Armour Road, North Kansas City, MO 64116. OMC transacts or has transacted business in this district and throughout the United States. At all times material to this Complaint, acting alone or with others, OMC has distributed deceptive sweepstakes and other prize mailers to consumers throughout the United States and overseas.

12. Defendant Summit Management Team, LLC (“SMT”), is a Missouri limited liability company with its principal place of business at 21 NE Skyline Drive, Lee’s Summit, MO 64086. SMT transacts or has transacted business in this district and throughout the United States. At all times material to this Complaint, acting alone or with others, SMT has distributed deceptive sweepstakes and other prize mailers to consumers throughout the United States and overseas.

13. Defendant Contest America Publishers, Inc. (“CAP”), also doing business as Entertainment Award Company and International Awards Payment Center, is a Nevada corporation with its principal place of business at 1401 Armour Road, North Kansas City, MO 64116. CAP transacts or has transacted business in this district and throughout the United States. At all times material to this Complaint, acting alone or in concert with others, CAP has

distributed deceptive sweepstakes and other prize mailers to consumers throughout the United States and overseas.

14. Defendant Reveal Publications, LLC (“Reveal”) also doing business as National Research Company, Fortune Research Bureau, and Financial Report Services, is a Kansas limited liability company with its principal place of business at 21 NE Skyline Drive, Lee’s Summit, MO 64086. Reveal transacts or has transacted business in this district and throughout the United States. At all times material to this Complaint, acting alone or in concert with others, Reveal has distributed deceptive sweepstakes and other prize mailers to consumers throughout the United States and overseas.

15. Defendant AOSR Corporation (“SRC”), formerly known as Subscription Reporter Corporation, formerly known as Sweepstakes Reporter Co., Inc., and also doing business as American Sweepstakes Publisher and National Bureau, is a Kansas corporation with its principal place of business at 1401 Armour Road, North Kansas City, MO 64116. SRC transacts or has transacted business in this district and throughout the United States. At all times material to this Complaint, acting alone or in concert with others, SRC has distributed deceptive sweepstakes and other prize mailers to consumers throughout the United States and overseas.

16. Defendant Lighthouse FLA Enterprises, LLC (“Lighthouse”), is a Florida limited liability company with its principal place of business at 2845 Marina Circle, Lighthouse Point, FL 33064, and its mailing address at 21 NE Skyline Drive, Lee’s Summit, MO 64086. Lighthouse has a 100% ownership interest in Defendant Next-Gen and a 51% ownership interest in Defendants CAP and OUP. Lighthouse has transacted business in this district and throughout the United States. At all times material to this Complaint, acting alone or in concert with others, Lighthouse has distributed deceptive sweepstakes and other prize mailers to consumers throughout the United States and overseas.

17. Defendant Gamer Designs, LLC (“Gamer Designs”), is a Missouri limited liability company with its principal place of business at 2609 Wintercreek Drive, Lee’s Summit, MO 64081. Gamer Designs has a 49% ownership interest in Defendants CAP and OUP, and it has transacted business in this district and throughout the United States. At all times material to this Complaint, acting alone or in concert with others, Gamer Designs has distributed deceptive sweepstakes and other prize mailers to consumers throughout the United States and overseas.

18. Defendant Kevin R. Brandes is the president of Defendants Next-Gen and Westport, the former president, secretary, and treasurer of Defendant SRC, president of Defendant SMT, and an officer of Defendant OMC. He has a 100% ownership interest in Defendants Westport and Lighthouse. Through Defendant Lighthouse he owns Defendant Next-Gen and is a co-owner of Defendants CAP, OUP, and OMC. At all times material to this Complaint, acting alone or in concert with others, he has formulated, directed, controlled, had the authority to control, or participated in the acts and practices set forth in this Complaint. Defendant Brandes, in connection with the matters alleged herein, transacts or has transacted business in this district and throughout the United States.

19. Defendant William J. Graham is the president of Defendants SRC, OUP, CAP, and Reveal, the vice-president of Defendants Next-Gen and Westport, vice president of Defendant SMT, and an officer of Defendant OMC. He has a 100% ownership interest in Defendants Reveal and Gamer Designs. Through Defendant Gamer Designs, he is a co-owner of Defendants CAP, and OUP, and OMC. At all times material to this Complaint, acting alone or in concert with others, he has formulated, directed, controlled, had the authority to control, or participated in the acts and practices set forth in this Complaint. Defendant Graham, in connection with the matters alleged herein, transacts or has transacted business in this district and throughout the United States.

20. Defendants Next-Gen, Westport, OUP, OMC, SMT, CAP, Reveal, SRC, Lighthouse, and Gamer Designs (“Corporate Defendants”) have operated as a common enterprise while engaging in the deceptive acts and practices alleged below. The Defendants have conducted the business practices described below through an interrelated network of companies that have common ownership, officers, managers, business functions, employees, contractors, and office locations, and that have commingled funds. Because the Corporate Defendants have operated as a common enterprise, each of them is jointly and severally liable for the acts and practices alleged below. Defendants Brandes and Graham (“Individual Defendants”) have formulated, controlled, had the authority to control, or participated in the acts and practices of the Corporate Defendants that constitute the common enterprise.

COMMERCE

21. At all times material to this Complaint, the Defendants have maintained a substantial course of trade in or affecting commerce, as “commerce” is defined in Section 4 of the FTC Act, 15 U.S.C. § 44.

DEFENDANTS’ BUSINESS ACTIVITIES

22. Since at least 2013, the Defendants have caused tens of millions of personalized sweepstakes and other prize mailers to be distributed to consumers throughout the United States and other countries, including Canada, the United Kingdom, France, and Germany. These mailers falsely represent that the named recipient has won or is likely to win a substantial cash prize in exchange for paying a mandatory fee that ranges from \$9.00 to \$139.99.

23. Since 2013, consumers have paid the Defendants more than \$110 million in response to the deceptive mailers. Consumers who have paid the required fees do not receive the promised cash prizes.

24. Many consumers, in response to multiple mailers from the Defendants, pay the mandatory fees several times before realizing that the entire operation is sham. Many of the victims of the Defendants' deceptive scheme are elderly consumers.

25. The Defendants distribute three different types of deceptive mailers to consumers: (1) sweepstakes notifications; (2) so-called "games of skill"; and (3) newsletter subscription solicitations.

Defendants' Deceptive Sweepstakes Notifications

26. The Defendants send sweepstakes notifications to consumers via the United States Postal Service that claim the consumer has already won, or is likely to win, a substantial cash award, typically \$1 or \$2 million (or the equivalent in foreign currency) payable over thirty years. According to the mailers, the consumer also has the option of receiving the prize in an immediate lump sum payment instead of over time, for example \$1.328 million in lieu of \$2 million over thirty years. According to the mailers, the consumer need only pay a mandatory acquisition fee, anywhere from \$11.89 to as high as \$139.99, in order to receive the prize.

27. The claims made in the Defendants' sweepstakes notifications are false or misleading. Consumers who receive the notifications have not already won \$1 or \$2 million, and no consumer is likely to win a \$1 or \$2 million cash prize.

28. The Defendants' sweepstakes notifications come from official sounding entities such as "Award Notification Commission," "International Award Services," or "Central Award Distribution," all of which are fictitious DBAs for one or more of the Corporate Defendants. The sweepstakes notifications have headings that purport to identify them as genuine award documents, such as "Official Declaration of Certified Award and Provision of Payment," "Official Notification – Judging Division – Award Registration Papers," or "Documents of Financial Tenet, Sent by Executive Mandate, Judging Division, Corporate Headquarters."

29. The representations made in the Defendants' sweepstakes notifications lead consumers to believe that they have already won, or are likely to win, a cash prize. For example, on the first page of a sweepstakes notification sent to a consumer in California, the Defendants state as follows:

As Executor of Awards for the AWARD NOTIFICATION COMMISSION judging office, I have been instructed to send this letter to you with an extremely exciting message: Have you ever BEFORE won a lump-sum jackpot Award of \$1,230,946.00?

Be advised at this time — please verify your name and address as printed throughout this documentation. By the authority of my office, I, Larry Hourd, on behalf of the AWARD NOTIFICATION COMMISSION organization, hereby affirm said opportunity as stated in writing to you above, in FULL, provided you are legally 18 years of age or older, and further provided your valid entry #84911625-4655565/721152655 is returned and matches the preselected winning number needed before the resolution deadline for judges final ruling and permanent record.

VERY IMPORTANT — This is non-transferable correspondence: do not give this letter to any other person or party for application or completion by any means. Rather, by mandate of my professional office, the sole requirement if you have and return the preselected winning number is that you respond by >>MAIL REPLY<< only, thereby enabling our judges to lodge a corporate certification statement subject to the following pending pronouncement . . .

redacted, Congratulations, You Have Just Won \$1,230,946.00

and the Cash Funds will be paid directly to you by your option of a **lump sum check for \$1,230,946.00** or a larger sum-amount of **\$2,000,000.00 to be remitted by annual payments of \$66,666.67 per year for 30 years.** (Note: No taxes are withheld and no commissions are due or expressed as a condition of accepting the AWARD of CASH FUNDS through this letter.) See terms and conditions.

A true and correct copy of the Defendants' mailer which contains this language is attached hereto as Exhibit A.

30. On the same page of this sweepstakes notification, the Defendants state:

An Acquisition FEE for Premium Offer is due and must be enclosed as **required** for **\$12.99** payable to the office of ANC. Enclose your remittance by cash, check, or money order. See page 2.

FINAL INSTRUCTIONS: All applicable check-boxes have been prepared for your completion on the bottom of page 2. Please attend to this NOW. Judging policies state that the Award cannot be issued without returning of the winning pre-selected number. Moreover, we are not obligated to call you if you fail to act. **COMPLETE AND RETURN THE ENTIRE PAGE 2 FORM.** Our office will then serve you officially and with all due distinction. Make sure your delivery address is accurate and up-to-date!

31. The sweepstakes notification described above and attached as Exhibit A is adorned with a number of devices to give it a veneer of authenticity and to instill a sense of urgency in the consumer. The mailer prominently features corporate seals, rubber stamps, signatures of judging officials, different fonts, pre-checked boxes, detailed reference numbers, bar codes and ID numbers, a watermark, and a facsimile of a check. The mailer references a deadline (without actually providing one) and warns of “automatic termination” if the consumer fails to respond in time.

32. The Defendants distribute multiple other versions of sweepstakes notifications to consumers, under different fictitious DBAs and in varying formats, with similar deceptive devices, making similar false or misleading claims that the consumer has already won a substantial cash prize and need only pay an acquisition fee in order to receive it.

Defendants’ Deceptive “Games of Skill”

33. The Defendants also send mailers to consumers that promise the recipient he or she has already won, or is likely to win, a substantial cash prize in exchange for answering a simple arithmetic question and paying a registration fee, typically \$9 to \$45. The Defendants’ representations in these “games of skill” mailers are false or misleading. The consumer has not already won, nor is he or she likely to win, a substantial cash prize in exchange for answering a simple arithmetic question and paying a registration fee.

34. The Defendants’ games of skill mailers come from official sounding entities such as “North American Awards Center” or “International Awards Payments Center,” which are

fictitious DBAs for one or more of the Corporate Defendants. The mailers have headings that purport to identify them as genuine award documents, such as “PRESENTATION OF DECLARATION OF DECISION TO NOMINATE” or “OFFICIAL ACTIVATION DOCUMENT FOR NOMINEE ADVANCEMENT PLAYING FOR 3 CASH PRIZES.”

35. The representations made in the Defendants’ games of skill mailers lead consumers to believe that they have already won, or are likely to win, a cash prize. For example, on the first page of a game of skill mailer sent to a consumer in New York, the Defendants state as follows:

OFFICIAL ANNOUNCEMENT OF GUARANTEED PAYMENTS
TO WINNERS FOR DISBURSEMENT IN CASH FUND

...

OFFICIAL NOTIFICATION
HIGHEST URGENCY
REPLY REQUESTED

IN NOTIFICATION TO:

/***/ **redacted**

DATE: March 17, 2014

3-GAME TOTAL PAYMENT TO FINAL WINNERS: \$21,000.00

EACH GAME GUARANTEED: \$7,000.00

Winners’ Cash Funds

To Be Paid By: ☒ Bank Checks ☒ Guaranteed Lump Sum

GREAT NEWS **redacted**

**THIS ANNOUNCEMENT IS NOW COMPLETE AND ONE, TWO OR EVEN THREE
GRAND PRIZE CHECKS FOR WINNERS’ PAYMENT ARE NOW IN THE
PRE-DRAFT STAGES FOR THE TOTAL AMOUNT OF \$21,000.00.**

**PLEASE COMPLETE ENTRY REQUIREMENTS AT ONCE REGISTERING YOUR
PLAYER ID 10533MLIN121 AND CONFIRMING YOUR NOMINATION TO PLAY
BY CORRECTLY SOLVING THE QUALIFYING PUZZLE PRESENTED ON THE
ACCOMPANYING DOCUMENT. WE NEED TO REVIEW THAT DOCUMENT
WITHOUT DELAY!**

....

You may wish to pay off bills, consolidate debt or credit card balances, buy a new car, take a vacation, use the money for savings or retirement — *it doesn't matter* — the Full CASH is unconditionally guaranteed to YOU if you are determined the final winner of one, two or all three games – and you could spend the money at your discretion completely. However, you must qualify to play by registering now. Due to the amount of money at stake in this competition, NAAC Judges will accept only a mailed response. Please complete and mail the accompanying Document today. A correct solution will ensure that you immediately advance to the next round with the opportunity to advance all the way for the guaranteed 3 Game Prize Money!

A true and correct copy of the Defendants' game of skill mailer which contains this language is attached hereto as Exhibit B.

36. The "qualifying puzzle" that the consumer must solve is on the second page of the Defendants' mailer:

redacted Qualifying Puzzle Below MUST be Solved

Enclose Fee of ~~\$12.~~ **PREFERRED CUSTOMER DISCOUNT ACTIVATED!**

SEND ONLY \$9! SAVE \$3 NOW!

QUALIFYING PUZZLE:
Find the 3 numbers that total "10".

| | | |
|---|---|---|
| 5 | 7 | 2 |
| 4 | 5 | 3 |
| 3 | 2 | 6 |

Print Total _____

SAMPLE PUZZLE

| | | |
|---|---|---|
| 3 | 6 | 3 |
| 2 | 2 | 4 |
| 6 | 2 | 1 |

Sample
Total 10

REFERENCE ID NUMBER:
10533MLIN121-902297 G4-1A 23 N-U

REGISTRATION INSTRUCTIONS: Your Capital Reserve V Qualifying Puzzle appears to the left. Simply draw a straight line across, up or down or from corner to corner through the three (3) Numbers that when added together equal 10.

ENCLOSE DISCOUNTED REGISTRATION fee of \$9 required and payable to: NAAC

Indicate payment method: ☐ Cash ☐ Check ☐ Money Order

37. The game of skill mailer described above and attached as Exhibit B is adorned with a number of devices to give it a veneer of authenticity and to instill a sense of urgency in the consumer. The mailer prominently features corporate seals, rubber stamps, signatures of the "senior director of payments," different fonts, pre-checked boxes, ID and reference numbers, a "form manifest number," a watermark, and a facsimile of a check. The mailer announces a "WARNING OF PENDING FORFEITURE" and that "PREVIOUS LETTERS ISSUED IN SUPPORT OF YOUR CANDIDACY HAVE GONE UNANSWERED LEAVING YOUR STATUS IN JEOPARDY." Warnings such as these imply that the consumer has already won

and that failure to send additional money will result in forfeiture or a negative change in the consumer's status.

38. The Defendants send multiple other versions of games of skill mailers to consumers, under different DBAs and in varying formats, with similar deceptive devices, making similar false or misleading claims that the consumer has already won, or is likely to win, a substantial cash prize in exchange for answering a simple arithmetic question and paying a registration fee.

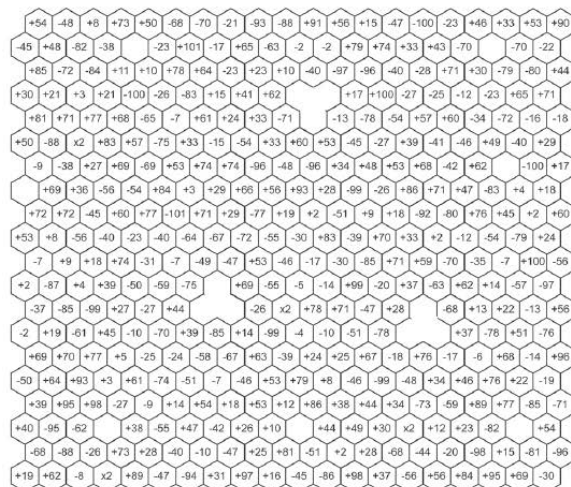
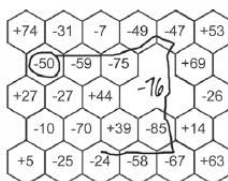
39. The Defendants do not clearly and conspicuously disclose in their games of skill mailers that there are, in fact, multiple rounds for each game of skill, and that consumers will have to pay additional registration fees of up to \$50 in order to advance to each subsequent round.

40. The Defendants do not clearly and conspicuously disclose in their games of skill mailers that, in order to win, the consumer must, in the last round, answer a final tiebreaker question that is a complex mathematical puzzle few, if any, consumers can solve. A sample final tiebreaker question from the Defendants is below:

FINAL SAMPLE TIEBREAKER
Score so far: -590

The object is to determine the number path producing the highest positive or negative score. Contestants must draw a continuous line through the polygon shapes, performing the mathematical calculations specified. The Final Tiebreaker may include 10 blank spaces to be filled in by contestants with a set of 10 "Available Numbers". The sample provided here is illustrative of difficulty; actual tiebreaker may differ. North American Award Center, experiments with a variety of Tiebreaker III formats, as we have found that keeping to a single style of Tiebreaker III results in too many ties, and the possibility of collusion. This style of Tiebreaker has been used in various formats for several contests.

AVAILABLE NUMBERS: All 10 numbers must be used; each may be used only once.
÷2 ÷3 +46 +72 -73 +74 -76 -82 +88 +89



Defendants provide a sample final tiebreaker question to consumers normally only upon request.

Defendants' Deceptive Newsletter Subscription Solicitations

41. Another type of mailer that the Defendants send to consumers promises that the recipient has already won, or is likely to win, one or more substantial cash prizes in exchange for payment of a registration or processing fee. The Defendants' representations in these mailers are false or misleading. The consumer has not already won, nor is the consumer likely to win, one or more substantial cash prizes in exchange for paying a fee.

42. If, in response to this third type of mailer, the consumer pays the requested processing fee, instead of receiving the promised cash prizes, the consumer receives a subscription to one of the Defendants' newsletters, which purport to contain listings of sweepstakes and contest opportunities that the consumer may enter.

43. For example, in a subscription solicitation postcard sent to a consumer in the United Kingdom, the Defendants state:

INTERNATIONAL FULFILLMENT REGISTRY No. 6854236

PRIZE DATA REPORT NOTICE REGARDING THE AGGREGATE SUM OF

SEVEN HUNDRED THIRTY-FIVE THOUSAND THREE HUNDRED GBP

£735,300.00

CONFIRMED IN THE NAME OF:

redacted

*As International agents for identification and verification of unawarded Cash and Prizes, we are pleased to advise you that on 05 January 2015 the report documentation containing **GUARANTEED** prize and award information totaling *****£735,300.00***** has been identified for immediate delivery to **redacted***

*Sign in the box below and POST THIS CARD WITHIN 5 DAYS, including
£10 registry processing fee payable to SRC, to receive your **GUARANTEED**
*****£735,300.00***** cash and prize report. DO NOT DELAY — Your
delivery will be CANCELLED if we do not receive this signed card in time.*

A true and correct copy of the Defendants' subscription solicitation mailer from which this language is taken is attached hereto as Exhibit C.

44. The subscription solicitation postcard described above and attached as Exhibit C is adorned with a number of devices to give it a veneer of authenticity and to instill a sense of urgency in the consumer. The mailer prominently features a corporate seal, rubber stamps, a watermark, reference and form numbers, and the signatures of a "director" and an "auditor." Across the top of the postcard is printed "*URGENT! ♦ SIGN AND RETURN IMMEDIATELY!*" On the other side of the postcard, the Defendants state, "To prevent forfeiture of your VERIFIED opportunity to receive the **£735,300.00** Cash and Prize Report, sign and return this card with fee within 5 days. Deadlines are rapidly approaching."

45. The Defendants distribute multiple other versions of subscription solicitation mailers, under different fictitious DBAs and in varying formats, with similar deceptive devices, making similar false or misleading claims that the consumer has already won, or is likely to win, a substantial cash prize in exchange for paying a registration or processing fee.

VIOLATIONS OF THE FTC ACT

46. Section 5(a) of the FTC Act, 15 U.S.C. § 45(a), prohibits "unfair or deceptive acts or practices in or affecting commerce."

47. Misrepresentations or deceptive omissions of material fact constitute deceptive acts or practices prohibited by Section 5(a) of the FTC Act.

COUNT I — Deceptive Acts or Practices by Plaintiff Federal Trade Commission

48. In numerous instances, in connection with the distribution of sweepstakes and other prize promotions, Defendants have represented, expressly or by implication, that consumers have won, or are likely to win, a substantial cash prize in exchange for the payment of a registration, acquisition, or processing fee to the Defendants.

49. In truth and in fact, in numerous instances, consumers have not won, nor are likely to win, a substantial cash prize in exchange for the payment of a registration or processing fee to the Defendants.

50. Therefore, the Defendants' representations set forth in Paragraph 47 are false and misleading, and constitute deceptive acts or practices in violation of Section 5(a) of the FTC Act, 15 U.S.C. § 45(a).

**COUNT II — Deceptive Omissions
by Plaintiff Federal Trade Commission**

51. In numerous instances, in connection with the distribution of purported games of skill, the Defendants have represented, expressly or by implication, that consumers may win a substantial cash prize if they succeed at simple and easy games of skill and pay a registration or processing fee to the Defendants.

52. In numerous instances in which the Defendants have made the representations set forth in Paragraph 51, the Defendants have failed to disclose or disclose adequately to consumers material terms and conditions of the offer, including:

- a. That there are multiple rounds in each game of skill;
- b. That in order to win a substantial cash prize, consumers will have to pay fees in addition to the initial registration or processing fee to advance to subsequent rounds; and
- c. That the final qualifying question is a complex mathematical puzzle that few, if any, consumers can solve.

53. Defendants' failure to disclose, or disclose adequately, the material information described in Paragraph 52, above, in light of the representation described in Paragraph 51, above, constitutes a deceptive act or practice in violation of Section 5(a) of the FTC Act, 15 U.S.C. § 45(a).

VIOLATIONS OF THE MISSOURI MERCHANDISING PRACTICES ACT

54. Section 407.020 of the Missouri Merchandising Practices Act provides in pertinent part:

The act, use or employment by any person of any deception, fraud, false pretense, false promise, misrepresentation, unfair practice or the concealment, suppression, or omission of any material fact in connection with the sale or advertisement of any merchandise in trade or commerce or the solicitation of any funds for any charitable purpose, as defined in section 407.453, in or from the state of Missouri, is declared to be an unlawful practice.... Any act, use or employment declared unlawful by this subsection violates this subsection whether committed before, during or after the sale, advertisement, or solicitation.

55. “Advertisement” is defined as “the attempt by publication, dissemination, solicitation, circulation, or any other means to induce, directly or indirectly, any person to enter into any obligation or acquire any title or interest in any merchandise.” §407.010(1), RSMo.

56. “Merchandise” is defined as “any objects, wares, goods, commodities, intangibles, real estate or services.” § 407.010(4), RSMo

57. “Person” is defined as “any natural person or his legal representative, partnership, firm, for-profit or not-for-profit corporation, whether domestic or foreign, company, foundation, trust, business entity or association, and any agent, employee, salesman, partner, officer, director, member, stockholder, associate, trustee or cestui que trust thereof.” § 407.010(5), RSMo.

58. “Sale” is defined as “any sale, lease, offer for sale or lease, or attempt to sell or lease merchandise for cash or on credit.” § 407.010(6), RSMo.

59. “Trade” or “commerce” are defined as “the advertising, offering for sale, sale, or distribution, or any combination thereof, of any services and any property, tangible or intangible, real personal, or mixed, and any other article, commodity, or thing of value wherever situation. The terms ‘trade’ and ‘commerce’ include any trade or commerce directly or indirectly affecting the people of this state.” § 407.010(7), RSMo.

**COUNT III — Deceptive Acts
by the State of Missouri**

60. In numerous instances, in connection with the distribution of sweepstakes and other prize promotions, Defendants have represented, expressly or by implication, that consumers have won, or are likely to win, a substantial cash prize in exchange for the payment of a registration, acquisition, or processing fee to the Defendants.

61. In truth and in fact, in numerous instances, consumers have not won, nor are likely to win, a substantial cash prize in exchange for the payment of a registration or processing fee to the Defendants.

62. The Defendants' representations set forth in this Complaint are deceptive in that Defendants engaged in acts, practices, advertisement or solicitation that had the tendency or capacity to mislead, deceive or cheated or tended to create a false impression, in violation of § 407.020(1), RSMo.

**COUNT IV — Unlawful Merchandising by Omissions of Material Facts
by the State of Missouri**

63. In numerous instances, in connection with the distribution of purported games of skill, the Defendants have represented, expressly or by implication, that consumers may win a substantial cash prize if they succeed at simple and easy games of skill and pay a registration or processing fee to the Defendants.

64. In numerous instances in which the Defendants have made the representations set forth in this Complaint, the Defendants have failed to disclose or disclose adequately to consumers material terms and conditions of the offer, including:

- a. That there are multiple rounds in each game of skill;

- b. That in order to win a substantial cash prize, consumers will have to pay fees in addition to the initial registration or processing fee to advance to subsequent rounds; and
- c. That the final qualifying question is a complex mathematical puzzle that few, if any, consumers can solve.

65. Defendants' failure to disclose, or disclose adequately, the material information known to them constitutes a concealment, suppression, or omission of a material fact in connection with the sale or advertisement of any merchandise in trade or commerce, in violation of § 407.020, RSMo.

CONSUMER INJURY

66. Consumers have suffered and will continue to suffer substantial, ascertainable injury as a result of the Defendants' violations of the FTC Act and the Missouri Merchandising Practices Act. In addition, the Defendants have been unjustly enriched as a result of their unlawful acts or practices. Absent injunctive relief by this Court, the Defendants are likely to continue to injure consumers, reap unjust enrichment, and harm the public interest.

THIS COURT'S POWER TO GRANT RELIEF

67. Section 13(b) of the FTC Act, 15 U.S.C. § 53(b), empowers this Court to grant injunctive and such other relief as the Court may deem appropriate to halt and redress violations of any provision of law enforced by the FTC. The Court, in the exercise of its equitable jurisdiction, may award ancillary relief, including rescission or reformation of contracts, restitution, the refund of monies paid, and the disgorgement of ill-gotten monies, to prevent and remedy any violation of any provision of law enforced by the FTC.

68. Sections 407.100 - 407.110, RSMo., and 28 U.S.C. § 1367(a), empower this Court to grant injunctive relief and such other relief to prevent the reoccurrence of, any

prohibited methods, acts, uses, practices or solicitations, or any combination thereof declared unlawful by Chapter 407, RSMo. Sections 407.100 - 407.110, RSMo, also empower this Court to grant restitution, costs, civil penalties, and all necessary orders and judgments.

PRAYER FOR RELIEF

Wherefore, Plaintiff FTC, pursuant to Section 13(b) of the FTC Act, 15 U.S.C. § 53(b), and Plaintiff State of Missouri, pursuant to §§ 407.100-407.140, RSMo, and the Court's own equitable powers, request that the Court:

A. Award Plaintiffs such preliminary injunctive and ancillary relief as may be necessary to avert the likelihood of consumer injury during the pendency of this action and to preserve the possibility of effective final relief, including but not limited to, temporary and preliminary injunctions, an order freezing assets, immediate access, appointment of a receiver, and an accounting;

B. Enter a permanent injunction to prevent future violations of the FTC Act and the Missouri Merchandising Practices Act by Defendants;

C. Award such relief as the Court finds necessary to redress injury to consumers resulting from Defendants' violations of the FTC Act and the Missouri Merchandising Practices Act, including but not limited to, rescission or reformation of contracts, restitution, the refund of monies paid, and the disgorgement of ill-gotten monies, and civil penalties;

D. Find that the Defendants have violated the provisions of § 407.020, RSMo;

E. Issue a preliminary and permanent injunction pursuant to § 407.100, RSMo, prohibiting and enjoining Defendants and their agents, servants, employees, representatives, and other individuals acting at their direction or on their behalf from owning or operating sweepstakes and prize mailer businesses in Missouri;

F. Require Defendants pursuant to § 407.100.4, RSMo, to provide full restitution to all consumers from whom Defendants have received monies and who have been aggrieved by the use of any of the unlawful, unfair, or deceptive acts and practices alleged herein;

G. Require Defendants pursuant to § 407.140.3, RSMo, to pay the State of Missouri an amount of money equal to ten percent of the total restitution ordered against Defendants, or such other amount as the Court deems fair and equitable;

H. Require Defendants pursuant to § 407.130, RSMo, to pay all court, investigative, and prosecution costs of this case;

I. Require all Defendants pursuant to § 407.100.6, RSMo, to pay the State of Missouri a civil penalty in such amounts allowed by law per violation of Chapter 407 that the Court finds to have occurred; and

J. Award Plaintiffs the costs of bringing this action, as well as such other and additional relief as the Court may determine to be just and proper.

Respectfully submitted this 20th day of February, 2018,

DAVID C. SHONKA
Acting General Counsel

JOSHUA D. HAWLEY
Attorney General of the State of Missouri

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Regional Director

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STATE OF MISSOURI

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FEDERAL TRADE COMMISSION

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Attorneys for Plaintiff
FEDERAL TRADE COMMISSION

EXHIBIT A

COMMISSIONER OF JUDGING • PROCESSING DIVISION
AWARD NOTIFICATION COMMISSION
PO BOX 2905
KANSAS CITY KS 66110



Non-Transferable Mail — Read On Receipt And Follow Instructional Requests Set Forth By Judges

FILING YEAR
2015

Page Number 1 of 2 Total Pages
☒ ORIGINAL COPY TO RECIPIENT
Not a duplicate or secondary photocopy

OFFICIAL FORM
OF TENDER NO.:

13570

The Winner Proper Entry Validation Must Be RECORDED
BY JUDGES To Certify Issuance Of: **Prize Award**

OPTION A: Single CHECK if Winner Payable Funds Verified: **\$1,230,946.00**
OPTION B: 30-Year ANNUITY if Winner Payable Funds Verified: **\$2,000,000.00**

Recipient Of Delivery: **redacted**



84911625-465565/721152655 4MUJ35

redacted

ESCONDIDO CA **redacted**

redacted

Type Of Winner Award:
100% CASH

Transmission Of Winner Funds:
**Direct Courier Delivery
of Certified Bank Check(s)
or Electronic Wire Transfer**

Authorized By:
**Larry Hourd
Executor
Of Awards**

As Executor of Awards for the AWARD NOTIFICATION COMMISSION judging office, I have been instructed to send this letter to you with an extremely exciting message: Have you ever BEFORE won a lump-sum jackpot Award of \$1,230,946.00?

Be advised at this time — please verify your name and address as printed throughout this documentation. By the authority of my office, I, Larry Hourd, on behalf of the AWARD NOTIFICATION COMMISSION organization, hereby affirm said opportunity as stated in writing to you above, in FULL, provided you are legally 18 years of age or older, and further provided your valid entry #84911625-465565/721152655 is returned and matches the preselected winning number needed before the resolution deadline for judges final ruling and permanent record.

VERY IMPORTANT — This is non-transferable correspondence; do not give this letter to any other person or party for application or completion by any means. Rather, by mandate of my professional office, the sole requirement if you have and return the preselected winning number is that you respond by >> MAIL REPLY << only, thereby enabling our Judges to lodge a corporate certification statement subject to the following pending pronouncement . . .

redacted Congratulations, You Have Just Won **\$1,230,946.00**

and the Cash Funds will be paid directly to you by your option of a **lump sum check for \$1,230,946.00** or a larger sum-amount of **\$2,000,000.00 to be remitted by annual payments of \$66,667.00 per year for 30 years.** (Note: No taxes are withheld and no commissions are due or expressed as a condition of accepting the AWARD of CASH FUNDS through this letter.) See terms and conditions.

In addition and with extending honors on these formal proceedings, we are thrilled to announce an addendum of Premium Offer: \$2,500.00 gift certificate for up to 75% off WONrewards.com online merchandise and service offerings. Confirm your acquisition by outright option NOW by securing receipt and delivery of this Premium Offer registered in your name for direct handover.

An Acquisition FEE for Premium Offer is due and must be enclosed as **required** for **\$12.99** payable to the office of ANC. Enclose your remittance by cash, check, or money order. See page 2.

FINAL INSTRUCTIONS: All applicable check-boxes have been prepared for your completion on the bottom of page 2. Please attend to this NOW. Judging policies state that the Award cannot be issued without return of the winning pre-selected number. Moreover, we are not obligated to call you if you fail to act. **COMPLETE AND RETURN THE ENTIRE PAGE 2 FORM.** Our office will then serve you officially and with all due distinction. Make sure your delivery address is accurate and up-to-date!

WINNING NUMBER MUST BE REPRESENTED TO JUDGES BEFORE DEADLINE.

CORPORATE SPONSOR JUDGING AND DECISIONS
AWARD NOTIFICATION COMMISSION
PO BOX 2905
KANSAS CITY KS 66110

**MAXIMUM GRAND
PRIZE AMOUNT:** Two Million Dollars



AWARD NOTIFICATION COMMISSION MI 520 19 23
(TD - 14/71-P) JC - 38022-0209385
World Headquarters, Midwest
United States of America
7800154482 1194276833
Not Forwardable or Assignable to any Alternate Party

ADDRESSEE:

84911625 465565

redacted

ESCONDIDO CA **redacted**

Filing Year: 2015

\$ ***** **\$1,230,946.00**

AMOUNT ABOVE: LUMP-SUM
SUPPLEMENT AT OPTION OF WINNER



Larry Hourd
Office of Director — Representative Signature

NO PURCHASE NECESSARY. PURCHASE WILL NOT INCREASE CHANCE OF WINNING.



Judges Authorization Completed

Deadline Sensitive Papers
Follow Applications RequestedISSUANCE: ☒ SIGNED
☒ VERIFIED**OFFICIAL DECLARATION OF
CERTIFIED AWARD
AND PROVISION OF PAYMENT**Page Number 2 of 2 Total Page
REDISTRIBUTION OR TRANSFER: PROHIBITSCHEDULED FORM: **13570**

FILING YEAR: 2015

Documents Sent By Directive To:

redacted

APPROVE

Required Action Of Preselected WINNING NUMBER HOLDER
To Receive Award And Full CASH Payment:

Verified I.D. Number:

#84911625-465565/721152655

Must Be Entered Before The Deadline To Be Honored And Filed Off
Consequence of Late Reply: ► AUTOMATIC TERMINATIO☒ MUST RESPOND BY RETURNING THIS ENTIRE PAGE
☐ NOT REQUIRED TO RESPOND

JUDGES STATEMENT AND VALIDATION OF AWARD AMOUNT:

IMPORTANT:
Please Read**The amount of AWARD by a single check of \$1,230,946.00 (Winner Option A)
or a 30-year annuity for the total of \$2,000,000.00 (Winner Option B)
shall be paid if you have the winning number and submit representation at
AWARD NOTIFICATION COMMISSION World Headquarters, KANSAS CITY, KS,
United States of America. Method of reply accepted: Mail reply only**Further
Explanation Of
Winner Payment
Option Assured
By Judges**Winner Option A**

Total Payment..... \$1,230,946.00

Lump-Sum Payment Of \$1,230,946.00 Via
A Single Check Disbursement Or Electronic
Wire Transfer Of Funds To A Bank Account
Anywhere In The World. NO TAXES
WITHHELD.**Winner Option B**

Total Payment..... \$2,000,000.00

30-Year Annuity Payment Disbursed
Annually By A Check Of \$66,667.00 PER
YEAR FOR 30 YEARS Or Electronic Wire
Transfer Of Annual Funds To A Bank
Account Anywhere In The World. NO
TAXES WITHHELD.

NO PURCHASE NECESSARY. PURCHASE WILL NOT INCREASE CHANCE OF WINNING.

Certified
Summarization:

Type Of Award Verified:

100% CASH

Maximum Winner Payment Amount Pending:

\$2,000,000.00 NET

Minimum Winner Payment Amount Pending:

\$1,230,946.00 NET

Taxes Withheld On Award Funds:

\$0.00

Day And Time Of Issuance:

TUESDAY, 10:55 AM

Judging Officers:

ON ALERT FOR REPLY

Reply Requested Within:

7 DAYS

Judges Inspection Of This Page:

REQUIRED

Mandatory Age Qualification:

OVER 18

Officer's Representative Signature:

**JUDGES FINAL
DECISIONS ARE****PROCESSING/COMPLETION SECTION:****Entrant Admissibility and Authorizations For Official Judges Verification**Award Amount — Option A
LUMP SUM CASH PAYMENT
Total: \$1,230,946.00Award Amount — Option B
30 YEAR CASH ANNUITY
Total: \$2,000,000.00IMPORTANT — Pending Award Distribution
shall be administered solely by the:☒ WINNER prerogative (Option A or B)☐ SPONSOR decision * * * * *Official Address Record:
INDIVIDUAL DELIVERY DOMICILE84911625-465565/721152655
redacted

ESCONDIDO CA redacted

APPLICABLE COMPLETIONS: SPECIFY PERSONAL SELECTIONS BELOW

To: redacted

Please indicate your guaranteed payment option for direct issuance of AWARD
if determined as the WINNER officially (check one box only):☐ OPTION A: **Lump-Sum Check For \$1,230,946.00**☐ OPTION B: **\$66,667.00 Yearly For 30 Years (Total \$2,000,000.00)****Premium Offer FEE DUE FOR DELIVERY \$12.99**

IMPORTANT: To Elect Special "RUSH PROCESSING" Add: \$3.00 (Total Enclosed: \$15.99)

Prepayment of fee if electing Premium Offer is MANDATORY and must be

enclosed as a REQUIREMENT by selective payment method (please indicate):

My remittance is enclosed by: ☐ Cash ☐ Check ☐ Money Order (payable to ANC)Please Note: AWARD NOTIFICATION COMMISSION is not obligated to contact you again if you fail to
respond or if you miss the deadline for any reason. If name or address is incorrect in any way as
printed above, make corrections alongside. Print clearly and legible if making updated changes.

Official Security Barcode identifier; Do not write or mark in this area

Sign Name: X

EXHIBIT B



North American Award Center
Prize Headquarters - Capital Reserve V
1401 Armour Road
North Kansas City, MO 64116

OFFICIAL ANNOUNCEMENT OF GUARANTEED PAYMENTS
TO WINNERS FOR DISBURSEMENT IN CASH FUNDS

NON-TRANSFERABLE CANDIDATE:

redacted

IRVINGTON NY redacted

redacted

Identification No.: 10533MLIN121-902297

ELIGIBILITY TO PLAY VERIFIED - RECORDED BY JUDGES IN ATTENDANCE - DO NOT RE-DIRECT
FILED CANDIDATE TO PLAY: redacted

3-GRAND PRIZES: ***\$21,000.00 TOTAL FOR WINNERS

\$21,000.00
TWENTY-ONE THOUSAND DOLLARS

Please mail other page within
7 days of receipt!

| | |
|---|------------------------------|
| N.A.A.C. RECORDS North Kansas City, MO | FORM CODE ASSIGNED 315-04 |
| CAPITAL RESERVE V | |
| GRAND PRIZES REGISTERED | \$21,000.00 |
| GRAND PRIZES REGISTERED | |

ADVANCE NOTICE: CAPITAL RESERVE V: 3 PRIZES TO PAY TO FINAL WINNERS

OFFICIAL NOTIFICATION HIGHEST URGENCY REPLY REQUESTED

IN NOTIFICATION TO:

// *** redacted

DATE: March 17, 2014

3-GAME TOTAL PAYMENT TO FINAL WINNERS: \$21,000.00

EACH GAME GUARANTEED: \$7,000.00

Winners' Cash Funds

To Be Paid By: ☒ Bank Checks ☒ Guaranteed Lump Sum

CERTIFIED CASH PAYMENTS TRANSFER SUMMARY

| ELIGIBLE RECIPIENT | STATUS STATEMENT | CASH AMOUNT RECORDED |
|--------------------------------------|------------------|----------------------------|
| R. Watson | Paid In Full | \$15,500.00 |
| S. Sovereign | Paid In Full | \$27,000.00 |
| Lucinda Malin | Awaiting Entry | \$21,000.00 TO THE WINNERS |
| L. Ficarra | Paid In Full | \$19,000.00 |
| C. Johnson | Paid In Full | \$15,500.00 |
| C. Long | Paid In Full | \$16,500.00 |
| S. Keene | Paid In Full | \$16,800.00 |
| TOTAL AWARD MONIES PAID TO DATE OVER | | \$7,567,842.16 |

GREAT NEWS redacted

THIS ANNOUNCEMENT IS NOW COMPLETE AND ONE, TWO OR EVEN THREE ***GRAND PRIZE CHECKS***
FOR WINNERS' PAYMENT ARE NOW IN THE PRE-DRAFT STAGES FOR THE TOTAL AMOUNT OF \$21,000.00

PLEASE COMPLETE ENTRY REQUIREMENTS AT ONCE REGISTERING YOUR PLAYER ID 10533MLIN121
AND CONFIRMING YOUR NOMINATION TO PLAY BY CORRECTLY SOLVING THE QUALIFYING PUZZLE PRESENTED ON
THE ACCOMPANYING DOCUMENT. WE NEED TO REVIEW THAT DOCUMENT WITHOUT DELAY!

We Wish To Further Inform: redacted



Right now, Nothing can prevent you from activation of this opportunity to play to win ***3-Games with GRAND PRIZE
CASH*** of \$21,000.00 for direct PAYMENT to the final winners. Please honor the deadline enforceable and
regulated by North American Award Center.

A Requested reply postmark is now so entered and stated here at 7 Days

**ALL PRIZES ARE AWARDED TO FINAL WINNERS AS LUMP SUM CASH AWARDS AND DISTRIBUTED
WITH NO SPENDING RESTRICTIONS AND NO TAXES WITHHELD BY SPONSOR.**

You may wish to pay off bills, consolidate debt or credit card balances, buy a new car, take a vacation, use the money for
savings or retirement — *it doesn't matter* — the Full CASH is unconditionally guaranteed to YOU if you are determined the final
winner of one, two or all three games - and you could spend the money at your discretion completely. However, you must qualify
to play by registering now. Due to the amount of money at stake in this competition, NAAC Judges will accept only a mailed
response. Please complete and mail the accompanying Document today. A correct solution will ensure that you immediately
advance to the next round with the opportunity to advance all the way for the guaranteed 3-Game Prize Money!

Signed By: *John D. [Signature]*

© NAAC 2013

GUARANTEE OF SATISFACTION

G4BGR17-rpt

North American Award Center, offers you the opportunity for thrilling financial rewards PLUS challenging fun and excitement. If you are not completely satisfied with our game competition – for any reason – send us a letter and take advantage of our liberal refund policy as described more fully in the Official Rules. No reasons or explanations are necessary. There are NO STRINGS ATTACHED and our RISK FREE GUARANTEE is valid with any of our existing contests.

OFFICIAL RULES Capital Reserve V Contest

(Game 1, Game 2, Game 3)

1. You must be 18 years or older to participate. Sponsors and their families are not eligible. Contestants and any of their family members (related by marriage or otherwise), who aggregate \$20,000.00 or more (or local currency equivalent) in lifetime winnings from North American Award Center, or its affiliates, including Opportunities Unlimited Publications, Inc. and International Award Payment Center, at the time prizes are determined in this contest are not eligible to win. Prizes in this contest of skill are subject to all federal, state, and local regulations and taxes. We are not responsible for lost, stolen, or delayed mail. Void where prohibited.
2. Capital Reserve V is not a sweepstakes or lottery. It is a contest of skill involving no luck or chance. Correctly solve the Qualifying Puzzle to be eligible to play all three Games. This contest consists of three games plus tiebreakers requiring contestants to successfully use math skills. The initial tiebreakers utilize math skills similar to those in the original Capital Reserve V Qualifying Puzzle. The second tiebreakers will attempt to narrow the playing field further to the top scoring contestants. The third tiebreakers (and any subsequent tiebreakers that may be necessary), will be increasingly difficult, and require greater levels of math skills, in much larger puzzle grids, with a difficulty level designed to determine the final winners. Customers may request sample tiebreakers at any stage in the competition before proceeding to the next stage. Photocopies and faxes will not be accepted for Tiebreaker entries.
3. **Required And Optional Fees:** The prize in each game is \$7,000.00, and the maximum cost to compete in all three games for \$21,000.00 USD is \$20 plus 2 possible tiebreaker handling charges of \$5 each per game (total \$50 USD plus appropriate first class postage to return ten reply forms). **Fee discounts may be offered.** In some states, lower tiebreaker fees may apply. Returned checks may be subject to electronic redeposit without further notice. Recovery fees as allowed by state law may be assessed and may be debited from your checking account. No additional fees are required. At two later points in the contest, you may be given up to two opportunities to compete for optional bonus cash prizes; on your first tiebreaker for each game and on your second tiebreaker for each game. These Bonus Cash Prizes will be added to the Grand Prize for each game. Bonus fees range from \$10 to \$45, depending on the additional bonus prize amount you may select. Maximum cost to play for all advertised prizes in all games totaling \$40,500.00 USD is \$260 USD plus appropriate first class postage to return ten reply forms. Payment of the bonus fees, and playing for bonus prizes is optional and will not affect your present opportunity to win or share a Grand Prize. Bonus prizes are applicable only to the Grand Prize winners. In the event of a tie for bonus prize money, the bonus prize will be divided per capita by those winners who have submitted winning bonus entries. Only bonus participants will share in bonus prizes. In some countries including United Kingdom, Australia, Canada, New Zealand and South Africa, prizes and fees have been converted from US Dollars to local currency using the exchange rate calculated at the start date of the contest. Prizes may be awarded in US Dollars equivalent to the local currency prize amount advertised.
4. **Estimated Number of Contestants:** Approximately 100,000 contestants are anticipated. Of those, about 90% (90,000) are expected to correctly solve the Qualification Puzzle and receive up to three successive Tiebreakers for each of the three games. About 23% (23,000) are expected to submit highest scoring initial tiebreakers; less than 2% (2,000) of those entering are expected to submit highest scoring second tiebreakers, and the third or fourth tiebreakers will determine the final winners. A correct solution at each stage will advance you to the next exciting round of each game.
5. Sponsor reserves the right to determine the number of tiebreakers, not to exceed four per game. The final tiebreakers in each game will be much more difficult. If two or more winning entries are tied after the final tiebreaker, prizes will be shared per capita by winners. Contestants may play multiple times to improve tiebreaker scores. However, Sponsor reserves the right to limit the number of entries any individual contestant may submit. Winners will receive, in addition to their prizes, double the amount of their original entry fees, including any bonus or tiebreaker fees, for each multiple winning entry submitted. Sponsor anticipates that less than 5% of entry fees will be distributed in prizes. One Grand Prize will be awarded in each game and could be shared with other contestants. All payments to winners are lump sum cash payments.
6. Different versions of this offer may be tested and used, including fee and graphic presentations. Puzzle solutions found to be created in part or in whole by collusion, or solutions submitted by proxy or via fictitious identities will be disqualified. No entrants will be accepted after **March 15, 2015**; winners and prizes will be determined by **September 15, 2015**. There will be a 30-day rejudge period following the prize determination date, and winners will be paid within 60 days thereof on **December 14, 2015**. Entries received after **March 15, 2015**, will automatically be entered in a subsequent, similar contest.
7. Liability for judging errors is limited to a complete refund of entry fees paid plus postage. If a contestant suspects a judging error, he or she must notify sponsor in writing within 30 days of the prize determination date. No adjustments will be made after prizes have been paid. Winners are determined on the basis of correct and top-scoring answers to tiebreakers. Most tiebreakers are judged by computer programs; remaining tiebreakers require manual judging. All winning tiebreakers are hand-verified by qualified judges who are employed by sponsor, and who have been trained by sponsor in computer judging programs and/or manual verification procedures. Submission of your entry constitutes acceptance of all contest rules. Decisions of the Judges are final. South Africa residents warrant that in effecting payment of any competition participation fees, they have complied in all respects with the exchange control regulations.
8. The Unconditional Guarantee of Satisfaction is applicable to registered contestants in any open contest prior to being notified of an incorrect entry.
9. A winners list is available after contest prize determination date by sending \$1 and a self-addressed envelope to Capital Reserve V Winners List, 1401 Armour Road, North Kansas City, MO 64116 USA. All final tiebreaker respondents in each game will automatically be mailed a winners list. Winners agree, without further compensation, to supply North American Award Center, with their photograph and to allow unlimited promotional use of their name and likeness.
10. Questions? Send all correspondence to North American Award Center, Capital Reserve V, P.O. Box 219909, 1401 Armour Road, N. Kansas City, MO 64121-9909. Detailed tiebreaker rules, previous winners lists and samples of tiebreakers from other contests, which illustrate the level of difficulty, may be obtained in advance of entry by contacting Customer Service at (816) 842-5510. Customer Service hours: 8:00 a.m.-3:00 p.m., Central Time. **Please keep these official rules with your other important papers.**

NOTIFICATION SYSTEM

We make our mailing list available to companies whose products or services might be of interest to you. If you would prefer to have your name withheld, or no longer wish to receive our own mailings, please copy your name, mailing address, and account number exactly as they appear on our letters. Specify (a) do not release my name to other companies or (b) remove my name from your mailing list or (c) both of the above. Mail to: Notification System, NAAC Mail Preference Service, P.O. Box 219637, Kansas City, MO 64121-9637 USA

North American Award Center does not permit telemarketing to its mailing list.

OFFICIAL ACTIVATION DOCUMENT FOR NOMINEE ADVANCEMENT PLAYING FOR 3 CASH PRIZES!

North American Award Center
Prize Headquarters - Capital Reserve V

FORM MANIFEST NO.:

G4-EF2

REGISTRATION MATTERS

Individual Eligibility Confirmed With Reply for:

DATE: 03/17/14
PAGE NUMBER: - 1 -
SERIES: Capital Reserve V
YEAR: 2014
WINNERS' TERMS: 3 Cash Prizes

WARNING OF PENDING FORFEITURE

redacted

IRVINGTON, NY redacted



Seal of Senior Director of Payments,
John Winstead

CASH AWARDS PENDING TO THE FINAL
GRAND PRIZE WINNERS! - Print Total Here For Official Validation:

\$21,000.00

TWENTY-ONE THOUSAND DOLLARS

*****\$21,000.00 TWENTY-ONE THOUSAND*****

Identification No.: 10533MLIN121-902297

PLEASE MAIL THIS ENTIRE PAGE!

PAYMENT 100% GUARANTEED TO THE FINAL WINNERS

PREVIEW DECLARATION OF PRIZE PAYOUTS GUARANTEED PAYABLE TO WINNERS IN NEGOTIABLE FUNDS

RECORDED CANDIDATE:

redacted

WE ARE MAKING THIS DIRECT
CONTACT BEFORE WE SUSPEND
FURTHER ACTION ON YOUR
BEHALF AND THEREBY PLACE
YOUR ACCOUNT IN OUR "INACTIVE/
INELIGIBLE CANDIDATE" FILE.

CASH PRIZES ENTERED ABOVE ARE
CONFIRMED IN FULL FOR PAYMENT
AS STATED TO:

WINNER

100% PAYMENT DUE -
WINNER IN FULL AT CLOSE

John Winstead - Presiding

PAYMENT BY ANNUITY

PAYMENT BY LUMP-SUM

TAXES ON
WINNERS' CHECKS None Withheld

RECEIVER CITY IRVINGTON

RECEIVER STATE NEW YORK

MANDATORY AGE 18 or older

NO PRIZE DISBURSEMENTS IN THIS SERIES HAVE YET
BEEN MADE. PAYMENT WILL BE SENT DIRECTLY TO
WINNERS' LEGAL ADDRESS ON FILE AT CONCLUSION
OF SKILL COMPETITION BY SPONSOR MANDATE.

PREVIOUS LETTERS ISSUED IN SUPPORT OF YOUR CANDIDACY
HAVE GONE UNANSWERED LEAVING YOUR STATUS IN JEOPARDY.

RESPONSE MANDATORY TO QUALIFY POSITION AS RECORDED CANDIDATE
PLAYING FOR 3 GAMES & 3 PRIZES TOTALING \$21,000.00!

redacted

Qualifying Puzzle Below MUST be Solved

Enclose Fee of \$2. **PREFERRED CUSTOMER DISCOUNT ACTIVATED!**

SEND ONLY \$9! SAVE \$3 NOW!

QUALIFYING PUZZLE:
Find the 3 numbers that
total "10".

| | | |
|---|---|---|
| 5 | 7 | 2 |
| 4 | 5 | 3 |
| 3 | 2 | 6 |

Print Total _____

SAMPLE PUZZLE

Sample

Total 10

| | | |
|---|---|---|
| 3 | 6 | 3 |
| 2 | 2 | 4 |
| 6 | 2 | 1 |

REFERENCE ID NUMBER:

10533MLIN121-902297 G4-1A 23 N-U

REGISTRATION INSTRUCTIONS: Your Capital Reserve V Qualifying Puzzle appears to the left.

Simply draw a straight line across, up or down or from corner to corner through the three (3) Numbers that when added together equal 10.

ENCLOSE DISCOUNTED REGISTRATION fee of \$9 required and payable to: NAAC

Indicate payment method: ☐ Cash ☐ Check ☐ Money Order

I have read and understand the enclosed Official Rules.

SIGNATURE

(A correct solution to the Qualifying Puzzle will GUARANTEE advancement to the next round!)

- RETURN THIS ENTIRE PAGE TO -

Case 4:18-cv-00128-BCW Document 1 Filed 02/20/18 Page 30 of 33

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EXHIBIT C

URGENT! + SIGN AND RETURN IMMEDIATELY!

FORM 07EF44



INTERNATIONAL FULFILLMENT REGISTRY No. 6854236

PRIZE DATA REPORT NOTICE REGARDING THE AGGREGATE SUM OF:

---SEVEN HUNDRED THIRTY-FIVE THOUSAND THREE HUNDRED GBP---

| | | |
|---|---------|-------|
| £ | 735,300 | 00 |
| | GBP | PENCE |

PRIZE DATA FILE ID:
SW194HQ*MRSH282-911169

CONFIRMED IN THE NAME OF:

redacted

APPROVED
FOR RELEASE

**SIGN AND POST
AT ONCE**

As International agents for identification and verification of unawarded Cash and Prizes, we are pleased to advise you that on 05 January 2015 the report documentation containing GUARANTEED prize and award information totalling ***£735,300.00*** has been identified for immediate delivery to redacted

Sign in the box below and POST THIS CARD WITHIN 5 DAYS, including £10 registry processing fee payable to SRC, to receive your GUARANTEED ***£735,300.00*** cash and prize report. DO NOT DELAY -- Your delivery will be CANCELLED if we do not receive this signed card in time.

SIGN HERE (REQUIRED) - POST WITH FEE NOW

X

redacted

DIRECTOR

AUDITOR

☐ £10 FEE ENCLOSED BY: ☐ CASH ☐ CHEQUE ☐ POSTAL ORDER (PLEASE MAKE CHEQUE OR POSTAL ORDER PAYABLE TO SRC)

VOID WITHOUT FEE

Post Now With Fee To: SRC, P.O. Box 12956, Kansas City KS 66112-2956 USA

SW194HQ*MRSH282-911169 VB12141902 BVB100000043 S-X 04-1V P11

S-K

SW194HQ*MP5H282-511169 YB12141302 BVB100000043 G-K 04-1V P11

SIGN AND RETURN AT ONCE WITH FEE TO:

SECURITY INFORMATION REGISTRY

Please apply this label to your return envelope.

SRC - PROCESSING CENTER

SK

PO BOX 12956

KANSAS CITY, KS 66112-2956 USA

AIRMAIL
PAR AVION
POSTCARDINTERNATIONAL
PRIORITY AIRMAIL
U.S. POSTAGE PAID
LEE'S SUMMIT, MO
PERMIT NO. 5696

SECURITY INFORMATION REGISTRY



69:222 1262241:00

£ 735,300
GBP

Royal Mail

We were unable to deliver this item because

- | | |
|---|--|
| <input type="checkbox"/> addressee gone away | <input type="checkbox"/> refused |
| <input type="checkbox"/> address incomplete | <input type="checkbox"/> not called for |
| <input type="checkbox"/> address inaccessible | <input type="checkbox"/> no such address |
| <input type="checkbox"/> addressee unknown | |

URGENT -

Attention **redact**

The aggregate value imprinted above has been IDENTIFIED, VERIFIED, and CONFIRMED as document in official data report GUARANTEED for immediate release to you! Turn overleaf for details.

To prevent forfeiture of your VERIFIED opportunity to receive the **£735,300.00** Cash and Prize Report, sign and return this card with fee within 5 [five] days. Deadlines are rapidly approaching.

1031-1031

Michael Washington

date

initials

redacted

LONDON

redacted

UNITED KINGDOM